

STAND. COM. REP. NO. 1434

Honolulu, Hawaii

APR 10 2015

RE: H.B. No. 943  
H.D. 1  
S.D. 2

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Eighth State Legislature  
Regular Session of 2015  
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 943, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE CIVIL MONETARY PENALTY SPECIAL FUND,"

begs leave to report as follows:

The purpose and intent of this measure is to establish a civil monetary penalty special fund consisting of federal fines collected from health facilities and agencies that fail to meet Medicare certification requirements. This measure also appropriates funds from the special fund for purposes approved by the Centers for Medicare and Medicaid Services.

Your Committee finds that the Office of Health Care Assurance receives a share of the federal civil monetary penalties assessed by the Centers for Medicare and Medicaid Services for federal deficiency citations issued by the Office of Health Care Assurance during a skilled nursing facility's re-certification process. The federal civil monetary penalties must be used only on programs and projects that are approved by the Centers for Medicare and Medicaid Services for activities that protect or improve the quality of care for residents. Hence, your Committee finds that it would be inappropriate to commingle the federal civil monetary penalties with state funds. Accordingly, your Committee finds that, rather than amending the Office of Health Care Assurance special fund to receive the federal civil monetary penalties, the



establishment of a separate special fund as provided under this measure is necessary.

Your Committee has amended this measure by amending the effective date to June 29, 2015, and adding language to preserve the amendments made in the measure to sections 36-27 and 36-30, Hawaii Revised Statutes, against future repeals and reenactments to those two sections.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 943, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 943, H.D. 1, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,



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JILL N. TOKUDA, Chair



The Senate  
Twenty-Eighth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:* <b>HB943, HD1, SD1</b>	Committee Referral: <b>HTH/HSH, WAM</b>	Date: <b>04/06/15</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"><input type="checkbox"/> Pass, unamended 2312</div> <div style="text-align: center;"><input checked="" type="checkbox"/> Pass, with amendments 2311</div> <div style="text-align: center;"><input type="checkbox"/> Hold 2310</div> <div style="text-align: center;"><input type="checkbox"/> Recommit 2313</div> </div>				
<b>Members</b>	<b>Aye</b>	<b>Aye (WR)</b>	<b>Nay</b>	<b>Excused</b>
TOKUDA, Jill N. (C)	✓			
KOUCHI, Ronald D. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani	✓			
GALUTERIA, Brickwood	✓			
HARIMOTO, Breene	✓			
INOUE, Lorraine R.	✓			
RIVIERE, Gil	✓			
RUDERMAN, Russell E.	✓			
SLOM, Sam			✓	
<b>TOTAL</b>	<b>10</b>	<b>0</b>	<b>1</b>	<b>0</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align: center; font-family: cursive; font-size: 1.2em;">Neil N. Williams</div>				
<div style="display: flex; justify-content: space-between; font-size: 0.8em;"> <div>Distribution:</div> <div>Original</div> <div>Yellow</div> <div>Pink</div> <div>Goldenrod</div> </div> <div style="display: flex; justify-content: space-between; font-size: 0.8em;"> <div>File with Committee Report</div> <div>Clerk's Office</div> <div>Drafting Agency</div> <div>Committee File Copy</div> </div>				

\*Only one measure per Record of Votes